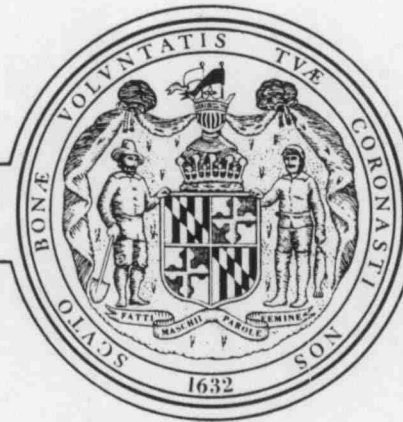


# State Ethics Commission



## ANNUAL REPORT 1995







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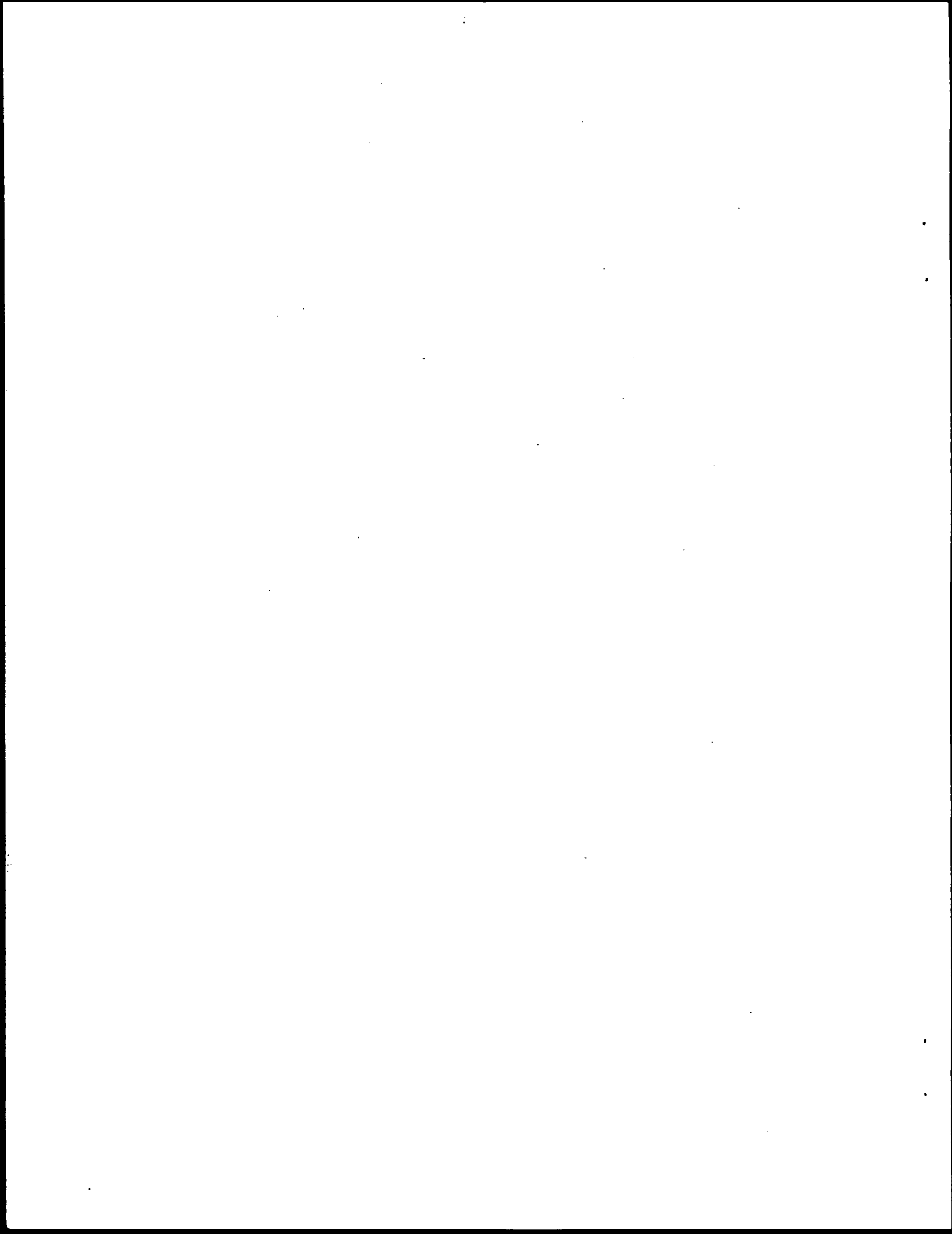
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**STATE ETHICS COMMISSION**

**SEVENTEENTH  
ANNUAL REPORT**

**January 1, 1995 - December 31, 1995**



# STATE ETHICS COMMISSION

## Seventeenth Annual Report

January 1, 1995 - December 31, 1995

### GENERAL STATUTORY IMPLEMENTATION

The State Ethics Commission met 11 times during Calendar Year 1995 and was involved in program activity relating to all areas of its statutory mandate. These include financial disclosure, conflict of interest, lobbyist disclosure and restrictions, local government ethics laws, school board ethics regulations, advisory opinions, enforcement matters, employee education, and public information activities. Very substantial activity involved implementing the new lobbying law provisions. Another major activity was revising forms, informational materials and many other documents required by the adoption of Code Revision in the 1995 Session of the General Assembly.

#### Issuance of Advisory Opinions

The Commission issues advisory opinions in response to requests from officials, employees, lobbyists, and others who are subject to the Law. Additionally, the Commission may issue advisory opinions to other persons at its discretion. During Calendar Year 1995, the Commission issued 13 formal published opinions. Most of the formal opinions considered primarily dealt with the employment prohibitions of the Ethics Law. Other issues considered included misuse of position, ownership interest prohibitions, non-participation, post-employment and procurement. One factor reducing the number of formal opinion requests and opinions issued by the Commission is the large number of existing opinions that can now be used for fast informal guidance. The Commission staff was able to provide informal guidance in about 1175 potential formal request situations based on existing opinions of the Commission. The Commission itself provided informal advice in lieu of formal opinion guidance, usually in the form of a letter, in 131 situations during the year. Informal guidance covered nearly all aspects of the Ethics Law. Many advice inquiries were in part caused by State employee salary support limitations in State government which have resulted in a substantial number of secondary employment questions. The combined total number of advice situations (formal, Commission informal, and staff informal) increased significantly during 1995. This is the fourth consecutive year of a substantial increase in the combined totals of advice activity. The total for 1995 was 1,319 compared to 785 in 1992.

#### Financial Disclosure

The administration of the financial disclosure program continued to involve the identification of those required to file, providing technical assistance to filers, and monitoring

compliance with the Law. The Commission was involved in reviewing a large number of requests by various agencies to add or delete people from the financial disclosure filing list. Action on these requests has increased the list of filers. The Commission also reviewed the ethics law status of new boards and commissions and considered and acted upon requests by advisory boards to be exempted from the requirement to file financial disclosure statements. Compliance review of forms is conducted as part of a phased program for review of the forms of officials and employees. Currently there are over 8,000 persons filing financial disclosure forms and this number continues to grow. In addition, copies of all judicial official financial disclosure forms are also filed at the Commission office. As part of the review program, letters are sent to some filers regarding the need to provide further information in order to meet filing requirements.

In addition to the regular financial disclosure program, a very substantial number of appointees to executive boards or commissions seeking limited conflict of interest exemptions from the appointing authority, must file a form publicly disclosing areas of existing conflicts with the Commission, the appointing authority and the Senate where applicable. The Commission staff coordinated the filing of these forms with the appointing authority and assisted a large number of appointees throughout the year to complete these disclosures.

#### Lobbyist Disclosure and Regulation

During the lobbying year which ended on October 31, 1995, 1,459 lobbying registrations were filed with the Commission. This represents an increase from the 1,184 registrations filed in 1994. The 1,459 registrations were filed by 556 different lobbyists on behalf of 787 separate employers. (Some employers have more than one lobbyist and many lobbyists have more than one employer.) This compares to 735 employers having one or more registrants in the previous year and 490 individual lobbyists in the prior year. The totals for registrations, lobbyists and employers is the highest in the history of the program. Although the largest number of lobbyists are registered during the legislative session, registrations are beginning and ending throughout the lobbying year, which begins on November 1 and ends on October 31 of the following year. Most persons registered to lobby have a single registration representing one employer, however, 107 lobbyists had two or more registrations during this time period, 63 registrants had four or more employers, and 42 lobbyists had eight or more employers. The Ethics Commission monitors lobbyist registration and reporting and other parts of the lobbying law limiting gift contingent fees and campaign finance activity.

The \$17,672,877 in lobbying expenditures reported for the period of October 31, 1995, represents an increase of \$3,448,258 over the previous year. This is the largest dollar increase in program history. Lobbying expenditures have significantly increased since the Commission compiled \$2,864,454 of expenditures in 1979, the first year the Ethics Commission administered the filing program. Expenditures for gifts and entertainment increased from \$746,132 to \$807,841. The amount for food and beverages other than special events dropped substantially from \$354,815 to \$270,835. This drop appears to reflect an increasing reluctance of officials to accept this type of entertainment. The amount spent for special events however, increased sharply from \$245,288 to the record level of \$415,549. An analysis of individual reports indicates that 93 lobbyist employers reported having total lobbying expenditures of \$50,000 or more. There were 199 lobbyist employers reporting total expenditures of \$25,000 or more. Reports of individual lobbyists registered on behalf of one or more employers indicate that 51 of these persons reported \$50,000 or

more in compensation for services. Thirty-one lobbyists reported compensation of \$100,000 or more. Total lobbyist compensation also rose sharply for the first time in several years increasing from \$11,039,131 to \$14,177,466. Examples of topic areas involving large total employer expenditures during the reporting period included banking, professional football, gambling, health, business, labor, attorneys, utilities, and insurance.

A list of those employers expending \$25,000 or more and those lobbyists reporting \$50,000 or more in compensation is included in Appendices A and B of this report.

The following expenditure data summarizes lobbying expenditures for the last three lobbying years:

	<u>10/31/93</u>	<u>10/31/94</u>	<u>10/31/95</u>
1. Expenditures for meals and beverages for officials or employees or their immediate families.	\$ 404,921	\$ 354,815	\$ 277,683
2. Expenditures for special events, including parties, dinners, athletic events, entertainment, and other functions to which all members of the General Assembly, either house thereof, or any standing committee thereof were invited. (Date, location, group benefitted, and total expense for each event are also reported.)	\$ 262,846	\$ 245,288	\$ 415,549
3. Expenses for food, lodging, and scheduled entertainment of officials and employees and spouses for a meeting given in return for participation in a panel or speaking engagement at the meeting.	\$ 11,136	\$ 14,280	\$ 6,588
*4. Expenditures for gifts to or for officials or employees or their immediate families (not including sums reported in 1, 2, and 3).	\$ 145,783	\$ 131,749	\$ 108,021
<u>Subtotal of items 1, 2, 3, &amp; 4</u>	<u>\$ 824,686</u>	<u>\$ 746,132</u>	<u>\$ 807,841</u>
5. Total compensation paid to registrant (not including sums reported in any other section).	\$11,069,943	\$11,039,131	\$14,198,743

\* This category includes the value of race track passes distributed by racing industry lobbyists to State officials. \$60,000 of the \$108,021 reported for gifts in the period ending 10/31/95 reflects the value of these passes.

6. Salaries, compensation and reimbursed expenses for staff of the registrant.	\$ 565,697	\$ 526,842	\$ 650,774
7. Office expenses not reported in items 5 and 6.	\$ 783,917	\$ 659,935	\$ 734,784
8. Cost of professional and technical research and assistance not reported in items 5 and 6.	\$ 171,154	\$ 289,149	\$ 559,865
9. Cost of publications which expressly encourage persons to communicate with officials or employees.	\$ 182,622	\$ 404,646	\$ 245,208
10. Fees and expenses paid to witnesses.	\$ 73,482	\$ 15,787	\$ 21,927
11. Other expenses.	\$ 343,475	\$ 542,998	\$ 453,736
<u>Total of items 1 through 11</u>	<u>\$14,014,976</u>	<u>\$14,224,620</u>	<u>\$17,672,878</u>

### Enforcement Activities

The Ethics Law and implementing rules of the Commission provide that any person may file a complaint with the Commission. Complaints filed with the Commission must be signed, under oath, and allege a violation of the Law by a person subject to the Law. Additionally, the Commission may file a complaint on its own initiative, and it carries out preliminary inquiries of potential law violations at its discretion. Because of the limited investigative resources available to the Commission, there is some backlog of enforcement issues pending before the Commission. The restoration of a contractual position in late 1994 helped to somewhat control the backlog. The number of actual complaints issued in 1995 was in part reduced due to financial disclosure filing review delays in part because of staff turnover in the financial disclosure program and office renovation, which required the relocation and re-filing of all files in the office.

In Calendar Year 1995 the Commission issued or accepted 17 complaints. Ten complaints involved financial disclosure matters, 4 complaints involved lobbyist matters, and 3 complaints related to conflict of interest issues. Also, during this year action was completed on 75 complaints. Sixty-eight of these completed complaint cases were financial disclosure matters and 3 were lobbyist matters. Fifty failure to file timely financial disclosure complaints were terminated by accepting late filing as a cure. Two late financial disclosure filing cases were completed by submission of the form, an admission of late filing violations, waiver of confidentiality, acceptance of a reprimand, and the payment of funds to the State. One complaint against a lobbyist for failure to timely file was terminated by accepting a late filing as a cure. The Ethics Law provides for the possibility of late fees or court imposed fines in late filing situations in some circumstances. Two complaints against a single lobbyist for failure to timely register and report were completed by the submission of all required forms, an admission of violation, and a payment to the State in lieu of late fees and potential fines. Twenty-nine complaints for failure to timely file financial disclosure or



lobbying reports were still active at the end of the calendar year. Ten of these complaints were scheduled for hearings in early 1995.

The Commission considered several other situations involving lobbyists who had failed to timely file either a registration or lobbying activity report. These matters resulted in lobbyists paying the fees in the amount of up to \$250 per report as allowed by the Ethics Law. The Commission received a total of \$5,760 in payments to the State of Maryland representing late fees from sixteen different lobbyists. These payments are made to the State general fund.

Five conflict of interest complaints were resolved during Calendar Year 1995. Two complaints involved two employees of the same agency who purchased a business which was doing business with their agency. One complaint was resolved when the employee admitted violating the Law, resigned from State service, forfeited his annual leave to the State and paid \$5,000 in lieu of civil fines. The second complaint was resolved when the second employee terminated his interest in the business, admitted violating the Law, paid \$5,000 in lieu of civil fines and was reprimanded. The employee's agency took subsequent personnel action to remove him from State service. A third complaint, involving a former employee was resolved when he admitted that he improperly participated in official matters involving an entity with whom he was negotiating employment. The former employee also accepted a reprimand and paid \$2,000 in lieu of potential civil fines.

The fourth complaint involved an employee who had secondary employment as a travel agent. The employee made travel arrangements for the employee's agency and fellow State employees with the travel agency. The matter was concluded when the employee discontinued doing business, admitted violation of the Law, accepted a reprimand and paid the commissions earned from the State related business to a foundation associated with the State agency. The final complaint involved a State employee who published his State office phone number on a business card for his private consulting business. After a full review of the circumstances, the matter was concluded by the employee admitting his actions were inconsistent with the Ethics Law, accepting a reprimand and issuing an apology to the head of the agency. At the end of Calendar Year 1995, 7 complaints were pending involving conflict of interest.

#### Local Government Ethics Laws

Maryland counties and cities are required under the Ethics Law to enact local laws similar to the State Law. In addition to the requirement that counties and cities enact ethics laws, in 1983, the General Assembly amended the Law to require local school boards either to promulgate ethics regulations similar to the State Law or be covered by county ethics laws. Most of the staff activity relating to local ethics programs during 1995 involved providing limited technical assistance to local ethics officials regarding ongoing administration of local government ethics programs. As part of its responsibilities, the Commission reviewed new or revised ethics laws for 8 localities during 1995. Some amended local laws were still under review and not approved at the end of the year. Criteria for evaluating similarity to the State Law are defined in Commission regulations. Municipalities, based on size and other factors, may be exempted from all or part of the requirement, though an exemption may be granted only in response to a written request.

### Educational and Informational Activities

The Commission staff has been active in providing information to those covered by the Ethics Law, as well as other persons interested in its requirements. A substantial daily staff workload has involved advising employees, officials, candidates and lobbyists on how to complete forms, and providing informal advice regarding possible conflicts of interest. The Commission staff has also assisted local government and school board officials in drafting their ethics laws and regulations. The staff has also provided technical advice to local government ethics boards. Presentations were made by the staff to various groups covered by the Law or interested in the operation of the Law. Thirty formal briefings were made to groups of employees, officials, or lobbyists on the requirements of the Law.

Part of the Commission's public information activity involves distribution of lists of registered lobbyists and provision of assistance to persons inspecting various forms filed with the Commission. Pamphlets describing the Ethics Law have been made available to management level employees in State agencies. Another pamphlet covering ethics requirements for part-time members of State boards and commissions is also being distributed on a limited basis. Fiscal limitations have essentially eliminated the ability to develop new printed materials. The Commission's staff does distribute, through interagency mail, a special two-page summary of ethics requirements to State agency managers. Special memos regarding the impact of the ethics law on gifts, testimonials, procurement, post-employment, employment, and on political activity are also distributed. In 1995, a comprehensive memo on the new lobbying laws was developed and distributed to lobbyists, vendors, and other interested persons.

Additionally, a how-to-complete financial disclosure statements video was distributed in conjunction with the Department of Human Resources for distribution during 1995.

### LEGISLATIVE RECOMMENDATIONS AND ISSUES

In 1995, the General Assembly passed several bills that directly amended the State Ethics Law. Major changes were made in expanding lobbyist disclosure of gifts requirements. Lobbyist were also limited in gift giving to those items that officials and employees are allowed to receive. Provisions were made for special prior disclosure of gifts of travel received by elected officials and further limiting the acceptance of nominal gifts by these officials.

Legislative officials were further limited in representing persons before the State and former legislators were prohibited for one full session from assisting in lobbying activity.

A provision for blind trusts was included in the financial disclosure law as was specific disclosure inclusion of interests held in limited liability companies and limited liability partnerships. Also, as to financial disclosure, the Commission was given the authority to exempt certain judicial branch employees from the filing requirements based on limited duties. The law was also clarified to state that any Ethics Law court fines would be paid to the State of Maryland.

The Ethics Law was rewritten as part of code revision resulting in a more complex statute and requiring changes in all Commission documents, regulations, and forms to reflect new statutory citations and terminology.

The Commission continues to review the adequacy of the Public Ethics Law as required by the statute. The eight recommendations listed below were specifically suggested to the administration for departmental legislation in 1996.

1. Not in Physical Presence Lobbying

The current lobbying law generally does not require lobbying registration where influencing legislative action is not done in the physical presence of an official or employee. A predecessor agency, the Financial Disclosure Advisory Board, once ruled that telephone lobbying was in-the-presence and then reversed itself concluding it was not. The State Ethics Commission has followed the subsequent decision of the prior board as legislative intent. The not-in-the-presence lobbying loophole has always been a potential problem and with new computer systems, video conferencing, and other new communications systems, not-in-the-presence lobbying is expected to grow. The proposed bill is very limited to cover only fee lobbyists. It would not cover regular employees of any company or organization. The \$500 fee level now used for in-the-presence legislative lobbying would be utilized. The current law already does cover not-in-the-presence lobbying for procurement of \$100,000 or more.

2. Lobbyist Gift Disclosure

This bill would require lobbyists to report by January 31st each year any gifts that they had made in November or December that would require them to name a recipient on their regular report due by May 31 of each year. Under current law, officials are aware of gifts reported by lobbyists covering 10 months of their own calendar year reporting cycle. What tends to happen is that officials may forget or not be fully aware of the value of gifts made in November or December not yet reported by lobbyists. When these are reported by lobbyists in May, this raises enforcement and appearance issues. This bill would solve much of a problem that could grow under new lobbyist reporting laws. Based on past experience, only about 10 to 15 lobbyists would have to file a January 31st report. If there were no gifts to report, no filing would be required.

3. Ethics Law Statute of Limitations for Court Fines

The State Ethics Law was passed in 1979 after a few years of debate. The Law created the Ethics Law and the State Ethics Commission. The new Commission concluded that the Law created no statute of limitations on any administrative or civil action of the Commission. (Criminal action by a prosecutor under the lobbying law and oath provisions of the financial disclosure law are a separate issue not addressed by this proposed legislation.) The Commission has operated for the last 17 years under the view that no statute of limitations was applicable to its activities.

In early 1995, an issue was raised in a potential enforcement matter about the applicability of statute of limitations apparently relying on courts and Judicial Proceedings Article section 5-107. That provision states that prosecution for suit for a fine, penalty or for forfeiture shall be instituted within one year after the offense was committed. A review of the relevant cases indicate that until 1989 the general view was that section 5-107 would not apply to State government bodies. However, in 1989, in Attorney General v. Dickson, the court decided that this statute could be applied in civil actions brought by the State rejecting arguments by the Attorney General's Office that these State actions involved in the case were generally exempt from the Law. (Various other state laws have specific statute of limitations not impacted by section 5-107.)

Other cases, for example, Nelson v. Real Estate Commission (1977) and Williams v. Standard Fdl Svcs (1988) suggest that if the Dickson case is applicable to the actions of the State Ethics Commission, its impact is limited to seeking court action for a fine and does not apply to other action by the Commission not requiring court action (ie: late fees, reprimands, findings of violations, recommendations for personnel action, etc.).

The Commission has not concluded that the Dickson case is applicable to its situation but believes that this policy uncertainty is best resolved by the legislature not the courts. Therefore, it is recommending a specific four-year statute of limitations as to actions to impose a civil fine. The Commission is proposing that the limitations period be four years from the time the conduct ended. This is a period determined to be appropriate by Commission experience in these matters. This is also generally consistent with section 15-205 of the Ethics Law which requires forms and documents to be retained as a public record at least four years after receipt.

#### 4. Misuse of Confidential Information

The existing State Ethics Law prohibits officials and employees from disclosing or using confidential information for their own economic benefit or that of another. This proposal would extend this prohibition to post-State service. There have been an increase in the number of situations where it appears that there was the potential that confidential information had been used to benefit former employees or people associated with these persons.

#### 5. State Level Alternative Lobbying Registration for Local Activity

Maryland local governments and school boards are required to have local lobbying registration and reporting requirements unless exempted (many very small municipalities have been exempted). Local jurisdiction's lobbying laws vary greatly as to what acts require registration and as to the timing and content of activity reporting. Because of the large number of entities having these laws or rules, it can be difficult for lobbyist and their employers to find out about and properly comply with each local law. Because of this problem, the State Ethics Commission discussed with the Maryland Association of Counties (MACO) and the Maryland Municipal League (MML) the possibility of allowing by State Law, State level registration for local lobbying in lieu of local registration. MML and MACO tentatively advised that they did not support the State unilateral taking over this activity. The recommendation being made is to allow a locality or school board based on their own action to opt to use the State lobbying registration system in place of a local system or to allow it as an alternative form of filing. This will avoid State unilateral action and leave the decision to take advantage of this to each local government or school board. Copies of forms filed with the State would be sent to the applicable local jurisdiction for information and public access. The bill would only cover that component of local requirements relating to registration and reporting. Local governments would continue to administer any standards of conduct regarding local lobbyists.

#### 6. Members of Interstate Commissions

Current law is usually not clear regarding the Ethics Law status of State appointees to interstate commissions. This is because the Ethics Law tends to look at the question of whether the agency of the appointee is a State agency and not whether the appointee is a State official. In some instances, it appears that the Maryland members are in essence a sub-unit State agency that has stand alone existence resulting in Ethics Law coverage. In

other instances, this is clearly not true. Maryland appointees serving in their official capacity are also subject to the Law. The issue involves private citizens appointed to these boards. This proposal makes the Maryland State appointees subject to the State Ethics Law not the board or commission. The entire interstate commission as an entity may not be made subject to the State Ethics Law.

#### 7. Disclosure of Corporation Dividends

The existing Ethics Law requires the disclosure of corporate interest and the details regarding all corporate interests acquired as transferred during a reporting period. The requirement to keep track of even minor changes is the subject of concern and errors by a number of filers particularly as it relates to minor changes typically caused by dividend related transactions. The proposed legislation deletes details of minor dividend related transactions from the filing requirement, but does not weaken the basic accountability needed to maintain public confidence in the Law. The requirement that the total number of shares held at the end of the year be reported is not impacted by this change. This change would eliminate this detail in most of these types of dividend or dividend reinvestment programs.

#### 8. Post-Employment Restrictions

The current post-employment law covers only an often narrow situation where a person has significantly participated in a particular matter. It does not tend to cover well where the former employee was in a supervisory position or to deal with the appearance or actual problems that can occur where there is no cooling-off period for former officials. In other states, provisions to deal with these issues have been enacted. The Commission proposes to expand the current post-employment limitations for former officials and employees to cover situations relating to certain grant, procurement, regulatory, and tax matters if they were within the official's responsibility in the last year of State service. The proposal limits this bar to 12 months after State service and does not cover legislators or part-time board and commission members. Subsequent government employment is not covered by this expansion. Exceptions are allowed by approval of the Ethics Commission. The proposed legislation also adds another bar for higher officials as to the above functional matters that prohibits any compensated involvement with their former agency for six months after leaving State service.

### **OTHER LEGISLATIVE RECOMMENDATIONS**

The recommendations listed below are also made by the State Ethics Commission. Many of these recommendations have appeared in prior annual reports but some are new. The Commission believes that these recommendations are appropriate, based on its experience in administering the ethics program:

- The Law should be formally amended to more specifically reflect advice by the Commission and the Attorney General regarding testimonial fund raising by employees and officials, which is fully covered by the Ethics and Elections Law.

- The Election Law provisions dealing with legal actions to contest election results do not clearly deal with these matters leaving potential questions about the solicitation, acceptance, and disclosure of these funds. Election Law should be amended to clearly establish limits and disclosure of this activity as part of the election function and not as gift activity.

- There is a need to consider granting the Commission at least minimal fining authority in conflict of interest matters in order to provide a formal alternative to expensive court proceedings.

- The current Law does not seem to always clearly deal with gifts from foreign governments. There is a need to review the issue and clarify the Law.

- The Ethics Law prohibits certain types of representation before State agencies. However, except for legislative disclosure under §3-102 of the Ethics Law, there is no specific required disclosure of representation before State agencies. It is recommended that officials who appear before State agencies for compensation include on their annual disclosure form at a minimum the identity of any agencies involved in this compensated representation.

- The Ethics Law prohibits employees and non-elected officials from intentionally using their prestige of office for their own private gain or that of another. Elected officials, however, are not covered by this provision. The existing Law should be amended to include elected officials or a new provision covering these officials dealing with clear cases of abuse should be specifically added to the Law.

- The Commission has been presented with several situations where high State officials have been invited to serve on the board of directors of private corporations having sensitive business or regulatory involvement with the State. The existing Ethics Law provisions are not well designed to effectively control the conflicts that can be caused by such affiliations. It is recommended that membership by high officials on the boards of these types of corporations be controlled more specifically in the Ethics Law.

- Issues regarding the spouses of employees or officials have arisen in Maryland and on a national basis. The Maryland Public Ethics Law does not consistently and clearly address these issues or provide sufficient policy guidance in these matters. Spouse ethics issues have become more prevalent in part as a reflection of both spouses having careers and other economic relationships. For example, the Law does not always clearly deal with the acceptability or disclosure of gifts to spouses of officials or employees by various donors. Another significant area needing further clarification is under what circumstances the ownership interest of a spouse is to be attributed to the official or employee for conflict of interest purposes of the Ethics Law.

- The Commission receives many questions from agencies and others concerning issues involving State related foundations. Some of these questions relate clearly to the Ethics Law and can be resolved by the Commission. Many of these questions involve fiscal and general policy issues unrelated or only indirectly related to the Ethics Law. It is not possible for the Commission to determine appropriate policy in these areas. Any control mechanisms that need to be established to reach these concerns should be established by the Executive and Legislative branches of government as part of ongoing policy development.

- Consideration should be given to having new officials file a financial disclosure statement covering their holdings as of the time when they come into their position rather than for the previous calendar year.

- The law should be amended to expressly state that Deputy Sheriffs and other Sheriffs' Office employees other than the elected Sheriff are also covered by local ethics laws consistent with the Commission's advisory opinion on this topic.

- The need for disclosure of interests in mutual funds should be reviewed to determine if this information is fully necessary to accomplish the purposes of the Law.

- The provisions of §4-104(c) regarding attributable interests should be studied with the idea of reducing the burden caused by the disclosure requirements when a person has a small share in a large diverse testamentary trust.

- Judicial candidates should be required to file financial disclosure in each year of their candidacy in the same way as other State officials.

- In election years improperly filed candidate's disclosure forms create unique enforcement problems. Before a violation can be found and made public a variety of confidential administrative and adjudicatory processes have to occur. In most cases this process would extend well beyond the primary election and probably beyond the general election. This means that serious completion problems or even false disclosure could exist unknown to the voting public. A very large percentage of non-incumbent candidates have substantial financial disclosure statement completion problems. A review should be made by the Executive and the General Assembly to determine whether confidentiality should be eliminated for candidate's financial disclosure enforcement cases at an earlier point in the enforcement process.

- Some consideration should be given to removing the current language dealing with Commission review of forms in §2-103(e), and substituting a provision for review consistent with standards to be established by the Commission.

- In order to avoid uncertain and confusing application and administration of the Law, the special provisions of §6-202 making members of State boards funded in whole or in part by Baltimore County subject to the county disclosure law instead of the State Law should be considered for elimination, or at a minimum copies of these forms should be filed with the State Ethics Commission.

- The bi-county agency ethics regulations requirements as to employees of these agencies should be reviewed to make sure that sufficient penalty provisions are provided and that the current ethics regulations of the agencies meet the intent of the Law.

- The Commission has informally determined that the bi-county agencies are to be treated as State or local agencies for the purposes of exemptions under the State lobbying registration requirements. The Law should be amended to specifically clarify their status under these provisions.

- Consideration should be given to determine if lobbyist disclosure should be limited or eliminated as to gifts to spouses, children and parents of the lobbyist where the gift is unrelated to lobbying.

- The lobbyist restrictions regarding campaign finance activity should be made more specific as to the impact of these provisions on political party central committee membership by lobbyists.

- Consideration should be given to further limiting the role of lobbyists in political fundraising, particularly in the area of officials sending fundraising tickets to lobbyists and these tickets being forwarded to their employers.

- The Ethics Law provisions relating to private persons assisting the State in procurement specifications should be reviewed to determine if further clarification is needed.

- The statute of limitations in criminal violations of the State lobbying law is too short and should be extended.

- Consideration should be given to a one-legislative session, no lobbying cooling-off period for former legislative and other employees having significant duties relating to legislation.

- The provisions for confidentiality in the Ethics Law should be reviewed to determine if they adequately protect privacy without denying needed information to operations agencies or the public.

- The provisions covering school board ethics regulations need to be strengthened to assure that there are adequate sanctions for violations by board members, candidates for board membership and lobbyists.



## APPENDIX A

### EMPLOYER SPENDING \$25,000 OR MORE - ALL REGISTRANTS ALL TYPES OF EXPENSES

*November 1, 1994 - October 31, 1995*

#### TOTAL AMOUNT

#### EMPLOYER

1.	525,799.25	Pro Football, Inc. (the Redskins)
2.	313,103.19	Primadonna Resorts, Inc.
3.	306,509.96	Bell Atlantic-Maryland, Inc.
4.	282,073.88	Maryland Chamber of Commerce/MD Business Council
5.	229,213.71	Maryland Bankers Association
6.	202,735.24	Cable TV Association of MD, DE, & DC
7.	194,468.92	A T & T
8.	194,408.75	Harvey's Casino Resort
9.	186,973.03	Medical & Chirurgical Faculty of Maryland
10.	155,163.66	Horseshoe Gaming, Inc.
11.	151,691.16	Maryland State Teachers Association
12.	148,800.00	Maryland Jockey Club/Pimlico Race Track
13.	148,800.00	Laurel Racing Association, Inc.
14.	138,046.41	Maryland Hospital Association
15.	134,554.21	Health Facilities Association of Maryland
16.	132,516.50	Maryland Association of Health Maintenance Organization
17.	130,465.68	Prince George's County, Maryland
18.	128,626.14	Philip Morris, Inc.(PA)
19.	122,192.70	Chemical Industry Council of Maryland
20.	120,538.77	Maryland State Bar Association
21.	120,430.40	Gaming Association of Maryland, Inc.
22.	115,320.56	Association of Maryland Pilots
23.	114,564.98	Coalition for Affordable Healthcare
24.	112,769.45	Kaiser Foundation Health Plan of Mid-Atlantic States
25.	112,434.78	NationsBank
26.	111,928.78	Pharmaceutical Research & Manufacturers of America
27.	108,361.00	Maryland Trial Lawyers Association
28.	105,908.65	HealthPlus
29.	102,985.68	Maryland Optometric Association

30.	98,887.00	AWI/VLT
31.	97,257.66	Johns Hopkins Health System
32.	93,827.91	Maryland Association of Realtors
33.	91,221.01	Group Hospitalization & Medical Services
34.	89,748.18	Potomac Electric Power Company
35.	86,680.00	Blue Cross & Blue Shield of Maryland
36.	85,153.24	Rite Aid Corporation
37.	84,179.73	Maryland State & D.C. AFL-CIO
38.	83,615.82	Maryland Classified Employees Association
39.	79,999.50	American Petroleum Institute
40.	79,371.70	Nationwide Insurance Company
41.	79,049.19	Greater Bethesda Chevy Chase Chamber of Commerce
42.	78,759.00	ATANCA (Automotive Trade Association of the National Capital Area)
43.	78,150.01	Maryland Gaming Association
44.	76,397.00	MARTA Technologies
45.	75,558.96	State Farm Insurance Companies (IL)
46.	74,638.13	Household Financial Group, Ltd.
47.	73,905.33	Merck & Company, Inc.
48.	73,405.26	Potomac Edison Company, Inc.
49.	73,016.70	Common Cause/Maryland
50.	70,896.00	Baltimore Gas & Electric Company
51.	69,547.00	Johns Hopkins University
52.	69,451.92	Prudential Health Care Plan
53.	68,636.56	Medical Mutual Liability Insurance Company
54.	68,250.31	Maryland Retail Merchants Association
55.	68,159.45	Glaxo, Inc.
56.	67,569.60	P.I.E. Mutual Insurance Company
57.	67,500.00	Fountainhead Title Group, The
58.	66,440.19	GTECH Corporation
59.	65,938.42	Mirage Resorts, Inc.
60.	65,284.04	Maryland Highway Contractors Association
61.	65,105.33	Maryland State Dental Association
62.	64,689.00	Suburban Hospital
63.	64,261.16	Don't Tax Food Coalition
64.	64,177.39	Maryland Farm Bureau, Inc.
65.	63,650.73	Marylander's for Efficient and Safe Highways
66.	63,614.44	Lockheed IMS

67.	62,962.01	First National Bank of Maryland & First Maryland Bancorp
68.	62,747.00	Variable Annuity Life Insurance Co. (VALIC)
69.	61,270.00	Tobacco Institute
70.	60,890.00	Handgun Control, Inc.
71.	60,500.00	MD/DC Vending Association
72.	59,955.81	P.S.T. Reclamation, Inc., Davidsonville, Md.
73.	59,235.00	Maryland Independent College and University Association
74.	57,786.71	Montgomery County Association of Realtors
75.	56,809.00	Maryland Commercial Wholesale Distributors Coalition
76.	56,609.47	Maryland Builders Association
77.	56,309.33	League of Life and Health Insurers of Maryland
78.	56,292.54	Maryland Society of Eye Physicians & Surgeons
79.	56,284.29	General Motors Corporation
80.	55,800.57	Maryland Horse Coalition
81.	55,668.73	Apartment & Office Bldg.Assn.of Metro Washington
82.	54,406.21	Maryland Association of Chain Drug Stores
83.	53,691.89	Maryland Food Committee
84.	53,534.02	Promus Companies, Inc.
85.	53,479.77	Maryland New Car and Truck Dealers Assn.
86.	53,354.00	Maryland Rental Car Coalition
87..	53,339.95	American Insurance Association
88.	52,910.00	Delaware-Maryland Synod, Evangelical Lutheran Church
89.	52,000.00	Melwood, Inc.
90.	51,822.38	US English
91.	51,016.50	National Federation of Independent Businesses
92.	51,000.00	American Personal Communications
93.	50,000.00	National Gaming Corporation
94.	49,221.11	Old Dominion Electric Cooperative
95.	48,791.16	Cloverleaf Enterprises
96.	48,755.62	Maryland Association of Non-Profit Homes for the Aging
97.	48,607.87	National Association of Independent Insurers
98.	48,567.76	Baltimore Jewish Council
99	47,968.82	Southwestern Bell Mobile Systems,Inc.(Cellular One)
100.	47,757.26	Maryland Psychological Association
101.	45,818.00	Trigen-Baltimore Energy Corporation
102.	45,008.61	Maryland Podiatric Medical Association
103.	45,000.00	Mayor and City Council of Baltimore

104.	44,351.00	Greater Washington Board of Trade, The
105.	43,276.17	Maryland State Licensed Beverage Assn.
106.	42,674.84	CSX Transportation
107.	42,539.61	Mid-Atlantic Coca-Cola
108.	42,486.00	Manor Care Corporation
109.	42,426.78	Corning Life Sciences, Inc.
110.	42,400.00	American Council of Life Insurance
111.	41,524.05	Washington Gas, Maryland Division
112.	41,200.00	Maryland Insurance Council
113.	41,077.85	Metropolitan Baltimore Football Club, L.P.
114.	40,944.35	R.J. Reynolds Tobacco Company
115.	40,694.44	Health Insurance Association of America
116.	40,073.00	Anheuser-Busch Companies, Inc.
117.	39,802.28	National Smokers Alliance
118.	39,389.56	Southland Corporation
119.	39,386.00	Maryland Catholic Conference
120.	39,109.10	Wheelabrator Clean Water Systems
121.	39,028.40	CONPOR of Maryland
122.	38,930.28	General Mills Restaurants, Inc.
123.	38,544.89	FMC Baltimore - Agricultural Chemicals
124.	38,095.00	NeighborCare Pharmacies
125.	37,881.99	Maryland Managed Care Association, Inc.
126.	37,557.40	Honeywell
127.	37,475.75	Circuit City Stores, Inc.
128.	37,088.01	Bethlehem Steel Corporation
129.	37,078.37	Humana Group Health Plan, Inc.
130.	36,923.73	Maryland Chiropractic Association
131.	36,815.33	Options Mental Health
132.	36,379.00	Giant Food, Inc.
133.	36,292.00	Baltimore Medical Group, P.A.
134.	36,089.00	Independent Cement Corporation
135.	36,020.00	International Lottery, Inc.
136.	35,896.07	Eli Lilly & Company
137.	35,778.68	Sun Company, Inc.
138.	35,689.00	Capital Reinsurance Company
139.	35,355.00	Public School Superintendents' Association of Md.
140.	35,321.00	Ryland Group, The

141.	35,120.80	Montgomery County Government
142.	35,105.00	Crown Central Petroleum Corporation
143.	35,095.32	Maryland Bus Association, Inc.
144.	35,000.00	Philip Morris, USA
145.	35,000.00	Maryland General Hospital
146.	34,800.58	Coalition for Job Opportunity Tax Credits
147.	34,520.71	Planned Parenthood of Maryland
148.	33,930.35	Ameristar Casinos
149.	33,833.11	Bally Entertainment
150.	33,237.36	Maryland Association of Mutual Insurance Companies
151.	33,063.50	Maryland Association of Boards of Education
152.	33,000.00	MAXIMA Corporation
153.	32,971.24	Punitive Damages Reform Coalition
154.	32,776.16	Greenspring of Maryland
155.	32,482.13	Restaurant Association of Maryland, Inc.
156.	32,374.60	Maryland Motor Truck Association, Inc.
157.	32,353.26	GIGNA Corporation
158.	32,268.61	Golden Rule Insurance Company
159.	32,193.42	Aetna Life & Casualty
160.	32,139.64	Baltimore County, Maryland
161.	32,075.73	Maryland Association of Certified Public Accountants
162.	31,502.70	Edison Parking Corporation
163.	31,385.78	Alliance of American Insurers
164.	31,355.55	Charter Medical Corporation
165.	31,054.94	Autotote
166.	30,896.23	MCI Telecommunications Corporation
167.	30,535.26	Paul Tudor Jones II
168.	30,457.80	Dental Health Administrative & Consulting Services, Inc.
169.	30,382.67	Maryland Free State Cemetery
170.	30,109.36	Health Specialists, P.A.
171.	30,000.00	Ash Con
172.	29,960.50	MD/DC Society of Anesthesiologists
173.	29,535.00	Maryland Association of Non-Profit Organizations
174.	29,259.26	Professional Insurance Agents Assoc. of PA, MD & DE
175.	29,256.21	American Lung Association of Maryland
176.	28,922.79	Genesis Health Ventures
177.	28,813.00	MD/DC/DE Soft Drink Association

178.	28,481.29	IBM Corporation
179.	27,790.08	Cloverleaf Standardbred Owners Assn.
180.	27,462.90	Coalition for Community & Economic Development
181.	27,425.12	Maryland Eye Surgical Centers, Inc.
182.	27,362.42	Eastalco Aluminum Company
183.	27,171.89	Maryland Society of American Institute of Architects, Inc.
184.	27,000.00	State Ethics Commission Office. Agnes Hospital
185.	26,961.78	Marriott International, Inc., The
186.	26,694.78	Anne Arundel County Association of Realtors, Inc.
187.	26,512.98	Maryland State Association of Life Underwriters
188.	26,368.38	MedLantic Healthcare Group
189.	26,301.66	Distilled Spirits Council of the U.S.
190.	26,108.72	Maryland Land Title Association
191.	26,060.35	Mid-Atlantic Petroleum Distributors, Inc.
192.	25,605.80	Maryland Ambulatory Surgical Association, Inc.
193.	25,352.02	Bail Bond Association of Maryland
194.	25,251.13	Beretta U.S.A. Corporation
195.	25,043.59	Maryland Cab Association
196.	25,020.00	Smokeless Tobacco Council
197.	25,000.00	P.S.T. Reclamation, Inc., Harwood, Md.
198.	25,000.00	Prince George's Chamber of Commerce
199.	25,000.00	East Harbor Marina

## APPENDIX B

### LOBBYISTS RECEIVING \$50,000 OR MORE IN COMPENSATION ONE OR MORE EMPLOYERS

*November 1, 1994 - October 31, 1995*

1 . \$1,051,289.92	Evans, Gerard E.
2 . 803,902.75	Rifkin, Alan M.
3 . 459,387.40	Cooke, Ira C.
4 . 398,790.88	Alexander, Gary R.
5 . 360,719.00	Schwartz, Joseph A., III
6 . 328,295.37	Doyle, James J., Jr.
7 . 307,155.82	Goldstein, Franklin
8 . 306,066.00	Pitcher, J. William
9 . 284,380.00	Rasmussen, Dennis
10 . 273,846.00	Tiburzi, Paul A.
11 . 258,430.00	McCoy, Dennis C.
12 . 241,282.86	Adler, Maxine
13 . 233,541.64	Stierhoff, John R.
14 . 227,500.00	Manis, George N.
15 . 212,120.79	Wayson, Edward O., Jr.
16 . 201,823.10	Shaivitz, Robin F.
17 . 199,409.50	Rozner, Joel D.
18 . 197,726.61	Enten, D. Robert
19 . 185,400.00	Neil, John
20 . 170,304.50	Popham, Bryson
21 . 168,354.67	Burridge, Carolyn T.
22 . 160,850.00	Gisriel, Michael
23 . 153,000.00	Bereano, Bruce C.
24 . 142,727.08	Doolan, Devin John
25 . 142,134.00	Goeden, James P.
26 . 127,361.00	Levitan, Laurence
27 . 126,883.00	Neily, Alice, J.

28 .	108,083.00	Johansen, Michael V.
29 .	107,640.03	Doherty, Daniel T., Jr.
30 .	105,417.00	O'Dell, Wayne
31 .	102,458.00	Wyatt, Joseph R.
32 .	96,875.00	Canning, Michael F.
33 .	89,500.00	Carter, W. Minor
34 .	82,512.00	Silver, Edgar P.
35 .	80,573.02	Winchester, Albert, III
36 .	78,845.00	Harting, Marta D.
37 .	75,259.00	Livingston, Scott
38 .	74,250.00	Baker, Ross L.
39 .	68,467.00	Buckingham, Stephen
40 .	66,893.81	Steward, William R.
41 .	63,916.66	Lucchi, Leonard L.
42 .	62,000.00	Manis, Nicholas G.
43 .	60,000.00	Wyatt, Maurice
44 .	58,375.00	Dukes, Charles A., Jr.
45 .	57,064.11	Brocato, Barbara Marx
46 .	56,250.00	Coble, Joseph M.
47 .	55,500.00	Sheehan, Lorraine M.
48 .	53,833.36	Bowers, John B., Jr.
49 .	50,681.98	Miedusiewski, American Joe
50 .	50,519.50	White, Peter B.
51 .	50,056.00	Fitz-Hugh, G.S. "Sandy," Jr.





